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## County-State Claims Payment Processing Improvement Task Force

*Meeting Notes – July 28, 2008*

***Launched in January 2008, the California Department of Mental Health created a C/S CPPITF to improve the Specialty Mental Health claims payment processing and services between the county and state. This Task Force will evaluate and recommend processes, tools and systems that can help to improve the current claims filing and reimbursement process between counties and the state. The Task Force will engage partners such as the Department of Health Care Services, Department of Alcohol and Drug Programs, APS, and County Mental Health Directors to develop ways to improve the county claims payment processing system. These are the brief and summarized notes from our meeting.***

**Attendance:** Steve Appel (DMH), Maria Barteaux (SF County by phone), Yvette Bell (DMH), Bob Cutler (DMH by phone), John Dong (DHCS ITSD), Leda Frediani (Alameda County by phone), Khalsa Garabunda (Los Angeles County by phone), Duane Henderson (Butte County), Catherine Hendon (DMH), Don Kingdon (CMHDA by phone), Bob Ullom (APS), Carolynn Michaels (DMH), Sara Murillo (DMH), Jeffrey Notke (Orange County by phone), Gary Renslo (DMH), Vonnie Ryser (DMH), Gigi Smith (ADP CIO by phone), Leslie Sorrels (Orange County by phone), Loren Suter (DMH Consultant), Sean Tracy (DMH).

### New action items:

- Counties requested that Good Cause be allowed for system testing. Stan Bajorin (DMH) is working with DHCS on this issue.
- The responsibility for the OSAE reports will be transitioned to divisions tentatively scheduled for September 2008. Example: The Claims Processing Report will transition to Admin/Fiscal; Internal Controls to Admin and Hospitals; MHSA has been with the Community Services Division since the release of the OSAE review.
- SF county asked if ADP was included in the PERM audit. DMH replied that they could send SF County (Maria Barteaux) contact information for DHCS Audits and Investigations (Kerrie Arndt) who may be able to answer their question.
- DMH presented an environmental scan of the various claiming groups, along with brief descriptions of each group. Task Force members are asked to review and provide any feedback to DMH (Catherine Hendon).
- DMH distributed the May – June 2008 claims update to OSAE as well as the July – August 2008 Early Warning sheet. Task Force members are asked to review and provide any feedback to DMH (Catherine Hendon).

### Old action items:

- The environmental scan will be distributed to the workgroup including internal, external, providers, partners, etc.
- Attendees are asked to provide feedback on the May-June 2008 Claims OSAE Update to DMH (Catherine Hendon).

8/12/2008

**Welcome, introductions, and updates:**

1. All members introduced themselves.
2. ADP Leadership will now be joining the Task Force. Gigi Smith, ADP CIO, is on the call today, and Susan King, ADP Program Manager, will also join us next meeting.

**Discussion Points:**

1. In September 2008, the DMH corrective action plan in response to the OSAE Claims Review will transition into DMH Administrative/Fiscal and IT divisions.
  - a. The CSD Deputy Director will manage the MHSA corrective action plan.
    - i. SF county inquired as to where the MHSA OSAE findings are located.
      1. The report is on both the DMH and OSAE websites.
      2. This report is separate from the Claims Review corrective action plan.
2. Recap of the Medi-Cal Payment Error Study presentation by Mark Gustafson, DHCS.
  - a. CMHDA reported that the presentation was very informative and provides good benchmarks.
  - b. DMH Program Compliance stated that it was good to receive this information and think about the future possibilities within the mental health system.
  - c. APS related the presentation to denied claims.
    - i. From the counties' perspective, claims may make it through the edits and still get denied.
    - ii. It would be helpful to develop a report of the top 3 reasons for denial and explore them specifically.
    - iii. This would help counties identify any issues they may have.
    - iv. SF county stated that it would also be more helpful to have more detailed and informative denial codes. DMH responded that the SDII system will have much more specific levels of detail in the denial codes.
  - d. APS also noted that it is important to standardize the interpretations of business rules for vendors. This would help counties by revealing any software issues.
  - e. APS informed the Task Force that the EQRO has a high level report for vendors explaining FY 07-08 denial trends.
    - i. This report will be released in September 2008.
    - ii. They have found differences by vendors.
    - iii. This will be helpful in looking further to explore reasons for denial.
    - iv. Eligibility is likely in the top three reasons for denial.
  - f. Duplicate edits will change denial rates.

3. Recap of the Strategic Planning Focus Group held on July 21, 2008.
  - a. CMHDA is grateful for the opportunity to participate in this process.
  - b. APS commends DMH for including such a wide range of partners in the process.
4. DMH clarified the difference between the PERM and MPES for counties.
  - a. SF county asked if ADP was included in the PERM audit.
  - b. DMH replied that they could send SF County (Maria Barteaux) contact information for DHCS Audits and Investigations (Kerrie Arndt) who may be able to answer their question.
5. DMH provided a SDII update.
  - a. DMH has now held seven weekly county-vendor SDII conference calls.
    - i. There are now 30-35 County, vendor, and State government participants on these calls.
    - ii. There is only one vendor (ECHO) on the calls.
    - iii. They have been discussing Void and Replace in the SDII system.
    - iv. Another topic has been the process of splitting claims to speed up the process.
      1. It allows the system to send denials immediately rather than waiting for warrant numbers to be issued.
      2. Depending on the decision, this will take time for software vendors to incorporate into their systems. It has the potential to impact each county's fiscal system.
      3. It is possible that splitting claims may make it difficult to trace a claim's history.
      4. This is not an issue for the counties who submit one service line per claim.
  - b. DMH will host a conference call Tuesday, July 29, 2008, for county review of use cases.
  - c. The following Tuesday, August 5, 2008, DMH staff and counties will meet to review the companion guide.

6. DMH presented an environmental scan of the various claiming groups, along with brief descriptions of each group.
  - a. Task Force members are asked to review and provide any feedback to DMH (Catherine Hendon).
  - b. APS noted that this effort to diagram these entities is appreciated. APS recommends wider distribution once it is in final form.
  - c. SF county also pointed out that the document is very useful to counties.
7. DMH distributed the May – June 2008 claims update to OSAE as well as the July – August 2008 Early Warning sheet.
  - a. Task Force members are asked to review and provide any feedback to DMH (Catherine Hendon).

**2:57 p.m. Adjourn**